

KENTUCKY HEALTH BENEFIT EXCHANGE ADVISORY BOARD

Small Employer Health Options Program (SHOP) Subcommittee

Meeting Minutes

September 10, 2013

Call to Order and Roll Call

The SHOP Subcommittee held its eleventh meeting on Tuesday, September 10, 2013 in the Large Conference Room at the Office of the Kentucky Health Benefit Exchange (KHBE). William Nold, Deputy Executive Director, Office of the Kentucky Health Benefit Exchange, on behalf of Jeffrey Bringardner, Chair, called the meeting to order at 1:30 p.m. and the Secretary called the roll.

Subcommittee Members Present: Jeffrey Bringardner (by phone), Wayne Barber, Dr. Richard Broeg (by phone), Paul Brophy (by phone), Carl Felix, Shelley Gast (by phone), Connie Hauser (by phone), Harry Hayes, Doug Metzger (by phone), Jack Tillman, and Bob Weiss.

Staff Present: Reina Diaz-Dempsey, Miriam Fordham, Wanda Fowler, Kris Hayslett, William Nold, Brenda Parker, Vanessa Petrey, Sherilyn Redmon, Melea Rivera, Chandra Venettozzi

Approval of Minutes

Jeffrey Bringardner made a motion to accept the minutes of June 13, 2013 with a notation that the meeting scheduled for August 15, 2013 was moved to September 10, 2013. The motion was seconded and approved by voice vote.

Update on the Exchange

The Exchange went through Operational Readiness Review on 8/21/13 through 8/23/13. By all indications it was successful and the Exchange will be operational on 10/1/13 and will be able to enroll individuals in health plans on January 1, 2014. The Exchange received a letter from CMS and there are a couple of functions yet to be demonstrated, including end-to-end testing. We are actively in testing and will be finalizing testing with CMS later this month. Chris Clark, Project Manager, Kentucky Health Benefit Exchange explained that there are two (2) final authorities, authority to connect and authority to operate needed for clearance prior to going live on October 1, 2013. He expects no obstacles to receiving these final authorities.

Chris Clark briefed the Subcommittee on the system development phases. The final deliverable will be June, 2014. The final phase will include a mobile application for phones.

William Nold briefed the Subcommittee on the system capabilities that will not be functional on October 1, 2013 and workarounds, where feasible, will be in place. These include the inability for employers/employees to purchase dental plans through SHOP. Employees will be able to purchase dental plans through the Individual Exchange or off the Exchange in the small group market. It will be difficult to enforce the Exchange requirement for children under 21 to have

dental insurance. The goal is to have this functionality by March, 2014 and dental plans will be available on the SHOP.

The current system does not have the capability to allow employers to choose a reference plan to base its premium contributions. A decision has not been made for this functionality but the Exchange is looking at March, 2014. The current system will not allow an employer to select less than a 50 percent contribution for employee premiums.

Anthem, the CO-OP, and Humana have filed plans for the individual market; Anthem, CO-OP, Bluegrass Family Health and United Health Care have filed plans for the group market. These plans have not been certified by the Exchange but certification will be completed by October 1, 2013. There will also be some Multi-State Plans.

The rates will be available for all plans on October 1, 2014 through our self-service portal at kynect.gov

Members discussed the Department of Labor requirement for employers to inform their employees of the Exchange. The KHBE has posted a sample notice on its website at kynect.gov for employers to use.

William Nold reiterated that the Exchange will be operational on October 1, 2013. Kentucky was the first state to have its contact center operational on August 15, 2013. The phone number is 1-855-4kynect (459-6328). A separate line is available for support professionals (1-855-326-4650).

Individuals and employers can apply via paper, online through kynect.gov, agents/kynectors, in person at the local Department for Community Based Services, or by phone via the contact center. Agents and kynectors will be trained and certified by the Exchange to assist individuals with application and enrollment.

SHOP/Agent System Functionality Demonstration

Deloitte, Inc. demonstrated the SHOP/Agent system functionality and answered questions from the Subcommittee members. Through the Employer portal, employers will be able to select plans to offer their employees and designate an agent/kynector to assist employees with plan selection and enrollment.

Other Business

William Nold informed the members of new IRS guidance regarding tax credits for employers who participate for less than a full year on the Exchange. Based on employer circumstances, they may qualify for full year tax credits based on their plan year.

The next meeting of the subcommittee was scheduled for Thursday, November 21, 2013 at 1:30 p.m.

Adjournment

The meeting was adjourned at 3:05 p.m.